



Joseph P. Bort MetroCenter  
 101 Eighth Street  
 Oakland, CA 94607-4700  
 TEL 510.817.5700  
 TDD/TTY 510.817.5769  
 FAX 510.817.7848  
 E-MAIL info@mtc.ca.gov  
 WEB www.mtc.ca.gov

## *Memorandum*

TO: BATA Oversight Committee

DATE: May 6, 2009

FR: Executive Director

W. I. 1254

RE: Contract Extension – Collection Services: Professional Account Management, LLC

Staff recommends that the Committee approve a contract extension through June 30, 2013 with Professional Account Management, LLC (PAM) for collection services on toll violations and delinquent FasTrak<sup>®</sup> accounts.

### **Background**

In May 2007 following a competitive procurement, the Commission approved a one-year contract in an amount not to exceed \$200,000 with Professional Account Management (PAM) to perform collection services on toll violations and delinquent FasTrak<sup>®</sup> accounts. The RFP provided for up to five one-year extensions, at BATA's discretion. In May 2008, the Commission approved a one year renewal of the contract with PAM. BATA has been satisfied with the quality of PAM's work, and this memorandum recommends renewing the contract with PAM through the end of the procurement term, or June 30, 2013. PAM is paid out of its recoveries: 30% of violations and closed delinquent accounts and 40% of legal collections. An estimated amount of recovery is included in each year's agency budget: the amount for 2009-2010 is \$600,000. Future fiscal years' amounts will be included in their respective annual budgets.

### **Scope of Work**

- (1) Collection services for outstanding toll violations occurring on the seven State-owned Bay Area bridges and Golden Gate Bridge. These violations are not eligible for DMV Hold or have been release from the Hold unpaid.
- (2) Collection services for delinquent FasTrak<sup>®</sup> accounts closed due to non-payment.

### **Recommendation**

Staff recommends that the Committee authorize the Executive Director or his designated representative to negotiate and enter into a contract amendment with Professional Account Management to provide professional collection services through June 30, 2013. The maximum amount of the contract for FY 2009-10 is \$600,000; future years will be based on the adopted BATA budget.

/s/

Steve Heminger

SH: gl

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## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Amendment

Work Item No.:	1254
Vendor:	Professional Account Management, LLC
Work Project Title:	Collection Services
Purpose of Project:	Obtain collection services for toll violations and delinquent FasTrak <sup>®</sup> accounts through FY 2012-13
Brief Scope of Work:	Perform collection services for delinquent FasTrak <sup>®</sup> accounts and for toll violations occurring on the seven State-owned Bay Area bridges and Golden Gate Bridge. The seven Bay Area bridges are: Antioch, Benicia, Carquinez, Dumbarton, Richmond-San Rafael, San Francisco-Oakland, and San Mateo-Hayward.
Project Cost Not to Exceed:	\$600,000 this year; future years to be based on adopted BATA budgets.
Funding Source:	BATA violation revenue
Fiscal Impact:	Subject to approval of FY 2009-2010 and future years' Operating Budgets
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Professional Account Management, LLC for the services described above. The Chief Financial Officer is authorized to set aside funds in the maximum amount of \$600,000 for such contract amendment in FY 2009-10 and in amounts to be determined for future fiscal years, based on the adopted BATA budgets .
BATA Oversight Committee:	<hr/> Bill Dodd, Chair
Approved:	Date: May 13, 2009